

**2004 Proposed Financial Plan
Finance and Business Operations Fund / 5450**

	2002 Actual ¹	2003 Adopted ²	2003 Estimated ³	2004 Proposed ⁴	2005 Projected ⁵	2006 Projected ⁵
Beginning Fund Balance	2,905,627	2,276,286	4,545,873	3,598,999	2,055,686	2,110,111
Revenues						
* Operating Revenues Total						
- CX Rates ⁹	5,008,158	5,504,705	5,504,705	6,549,090	6,250,505	6,047,365
- CX Rebate		(386,707)	(386,707)	(367,511)		
- Non-CX Rates ⁹	16,971,423	17,718,931	17,682,607	18,591,125	18,877,215	19,027,836
- Non-CX Rebate		(1,063,292)	(1,062,119)	(1,222,306)		
- Adopted Rate Variance		45,716				
- Other Revenue	1,868,443	1,805,824	1,829,949	1,667,601	1,717,629	1,769,158
* Interest	165,687	250,000	250,000	250,000	250,000	250,000
Total Revenues	24,013,710	23,875,177	23,818,436	25,467,999	27,095,349	27,094,359
Expenditures						
* Operating Expenditures - Personal Services	(12,554,133)	(13,827,733)	(13,827,733)	(15,056,326)	(15,959,706)	(16,917,288)
* Operating Expenditures - O&M	(9,806,638)	(11,109,642)	(11,109,642)	(10,391,121)	(10,650,899)	(10,917,172)
* Encumbrance Carryovers			(965,743)			
* Lawsuit Settlement				(565,711)		
* Proposed Changes				(1,549,405)	(982,175)	(184,329)
Total Expenditures	(22,360,771)	(24,937,375)	(25,903,118)	(27,562,563)	(27,592,780)	(28,018,788)
Estimated Underexpenditures		249,374	1,137,808	551,251	551,856	560,376
Other Fund Transactions						
* Equity Transfer to ORPP	(79,828)					
* IBIS GAAP Expenditure Adjustment	67,134					
Total Other Fund Transactions	(12,694)	0	0	0	0	0
Ending Fund Balance	4,545,873	1,463,461	3,598,999	2,055,686	2,110,111	1,746,058
Reserves & Designations						
* Reserved for Encumbrances/Carryovers	(965,743)					
* Reserved for Equipment Replacement ⁶				(300,000)	(500,000)	(600,000)
* Rate Stabilization Reserve ⁷			(2,821,905)	(928,809)	(782,328)	(305,494)
Total Reserves & Designations	(965,743)	0	(2,821,905)	(1,228,809)	(1,282,328)	(905,494)
Ending Undesignated Fund Balance	3,580,130	1,463,461	777,094	826,877	827,783	840,564
Target Fund Balance ⁸	670,823	748,121	777,094	826,877	827,783	840,564

Financial Plan Notes:

¹ 2002 Beginning Fund Balance is from the 2001 CAFR.

 Current Assets 4,588,910

 Current Liabilities (1,683,283)

 2001 Ending Fund Balance 2,905,627

2002 Actuals are from the 2002 CAFR.

² 2003 Council Adopted Budget

³ Estimated 2003 - based on May actuals

⁴ 2004 Proposed Budget - based on PSQ Budget plus impact of proposed changes in both revenues and expenditures

⁵ Elimination of one-time expenses included in 2005 and 2006 rates.

Rates are projected to rise by 2.5% in 2005 and 3.0%

in 2006 with one time revenues included in 2004 base.

Other revenue is projected to grow by 3.0% in

both years. Personnel expenditures are projected to grow

by 6.0% in both years and other expenditures by 2.5%.

⁶ A reserve is being established to set aside funds to replace expensive and critical equipment essential to Finance Division operations. An amount of \$300,000 per year for the next three years is being set aside. The amount displayed on the financial plan is the balance in the reserve after withdrawal have been made for equipment replacement.

⁷ A new rate stabilization reserve is being established to draw upon existing reserves in future years in order to keep annual rate growth as low and steady as possible.

⁸ The target fund balance is set at 3.0% of total expenditure

⁹ 2004 Proposed includes Transition Fund revenue.

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